TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1433 - HB 1417

January 24, 2016

SUMMARY OF BILL: Increases from \$26 to \$40 the fee that a constable or sheriff can charge for in-person service of process.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue – Net Impact - Exceeds \$55,900/Permissive

Assumptions:

- This bill is applicable only to local government entities; therefore, any fiscal impact to the state is considered not significant.
- Pursuant to Tenn. Code Ann. § 8-21-901(a), the sheriff or constable is entitled to demand and receive the applicable fee. However, a sheriff or constable is not required to charge the specific fee; they are authorized to charge any fee up to the maximum amount specified in statute. As a result, any impact to local government is considered permissive.
- There are at least 95 county sheriffs or constables in the state.
- On average, each sheriff or constable will perform at least five in-person services of process each month.
- All 95 county sheriffs and/or constables elect to increase their respective fee by at least \$14 (\$40 \$26).
- The minimum number of in-person process services performed statewide by sheriffs or constables is estimated to exceed 5,700 (95 counties x 5 per month x 12 months).
- The permissive and recurring increase in local revenue for sheriffs and constables is estimated to exceed \$79,800 (5,700 minimum services x \$14 additional fee).
- Sheriffs and constables perform in-person process servings on the behalf of counties and cities. As a result, some percentage of the total number of in-person process servings performed by a sheriff or constable is on the behalf of a local government entity for which the local government entity would be responsible for submitting the applicable fee to the serving sheriff or constable. This percentage is unknown; but for the purpose of this fiscal note is reasonably estimated to be 30 percent of all in-person process servings. Therefore, the permissive and recurring increase in local government expenditures is estimated to exceed \$23,940 (\$79,800 x 30.0%).

• The net recurring and permissive increase in local government revenue is estimated to exceed \$55,860 (\$79,800 - \$23,940).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista M. Lee, Executive Director

/dwl